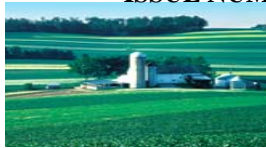


IREDELL/ALEXANDER COUNTY FSA NEWSLETTER

**JUNE 2006
ISSUE NUMBER 4**

**IREDELL/ALEXANDER COUNTY FSA OFFICE
444 BRISTOL DRIVE
STATESVILLE, NORTH CAROLINA 28677-2942
PHONE 704-872-5061 OR 828-632-2044 EXT. 2
FAX 704-873-0225**



**COMMITTEE MEETINGS ARE HELD THE 2ND TUESDAY
OF EACH MONTH AT 9:30 AM
OFFICE HOURS ARE 8 AM TO 5 PM MONDAY – FRIDAY EXCEPT
FEDERAL HOLIDAYS**

COMMITTEE MEMBERS:

**RICHARD RENEGAR, CHAIRPERSON
BECKY SMITH, VICE CHAIRPERSON
L E HERMAN, REGULAR MEMBER
GLADYS PIERCE, REGULAR MEMBER
NEWELL JOHNSON, REGULAR MEMBER
JERRY TURNER, COC ADVISOR**

OFFICE STAFF:

**JULIA W HOUCK, COUNTY EXECUTIVE DIRECTOR - EXT. 115
ED HALL, FARM LOAN MANAGER – EXT. 117
BARBARA SPRINKLE – EXT. 118
PATSY WILLIAMS – EXT. 116
PEGGY HAMMER – EXT. 100
SUNNY ESTES – EXT. 119**

ISSUE HIGHLIGHTS:

Loans & LDP's County Committee Nominations Being Accepted Crop Reports Tobacco Transition Payment Program
Milk Income Loss Contract Extension Beneficial Interest Conservation Reserve Program

COUNTY COMMITTEE NOMINATIONS BEING ACCEPTED

Nomination petitions are now being accepted for the upcoming County Committee elections. Producers in LAA1 which consists of the communities of New Hope, Union Grove, Eagle Mills, Olin and Turnersburg, are currently being represented by Richard Renegar and LAA4 which consists of the communities of Little River, Sugar Loaf, Gwaltneys, Sharpes, Sharpes II and Millers are currently being represented by Becky Smith. Producers in these communities are encouraged to nominate persons to the County Committee. The County Committee is a vital link between the FSA office and the producers in each county. Producers are encouraged to nominate producers to the County Committee.

MILK INCOME LOSS CONTRACT EXTENSION (MILCX) PROGRAM

Producers are reminded to turn in their milk marketing's each month. Milk marketing's may be furnished by any of the following: copy or fax of the milk check stub showing pounds marketed, fax by the processor, or tank receipts. Producers who wish to change their start month must select a start month by the 14th of the month before the month they want to start their MILCX payments.

ACREAGE REPORTING

Acreage reporting time is here. Please remember that filing an accurate acreage report for **all** crops and land uses, including failed acreage and prevented planting acreage, can prevent the loss of benefits for a variety of programs. Failed acreage must be reported within 15 days of the disaster event and before disposition of the crop. Prevented planting must be reported no later than 15 days after the final planting date. Acreage reports are required if you want to be eligible for FSA programs. Corn, soybeans, tobacco, fruits and vegetables, CRP, grain sorghum and any other spring seeded crops must be reported by **June 30th**. If the crop is not planted by June 30th then the crop must be reported within 15 days of the date planted to be timely filed. Crop reports can be taken after the final reporting date, but will be charge a late file fee and a field visit will be made by the FSA office and the acreage will be measured.

FSA FARM LOANS

FSA's loan programs are designed to help family farmers who are temporarily unable to obtain private, commercial credit. In many cases, these are beginning farmers who have insufficient net worth to qualify for commercial credit. In other cases, they are farmers who have suffered financial setbacks from natural disaster, or who have limited resources with which to establish and maintain profitable farming operation. Some farmers obtain their credit needs through the use of loan guarantees. Under a guaranteed loan, a local agricultural lender makes and services the loan, and FSA guarantees it against loss up to a maximum of 90 percent in most cases. In certain limited circumstances, a 95-percent guarantee is available. FSA has the responsibility of approving all loan guarantees and providing oversight of lender's activities. If you are interested in an FSA loan, please contract Ed Hall at 704-872-5061 or 828-632-2044.

TOBACCO TRANSITION PAYMENT PROGRAM (TTPP)

For those persons who have a TTPP contract, please remember that when the FSA office receives knowledge of the death of a contact holder, it will send a letter of notification to the address of the contract holder and to all known parties notifying them that they have 30 calendar days to come into the FSA office to resolve the TTPP payment issues. If there is a surviving spouse, then the contract will go to the surviving spouse regardless of what may be stated in a Last Will and Testament. If no surviving spouse, then the executor or administrator of the deceased TTPP contract holder's estate will need to provide a will and proof of appointment. The executor or administrator must certify that no surviving spouse exists on the CCC-971. If no will, then CCC will hold funds until the executor or administrator of the estate is appointed.

BENEFICIAL INTEREST

To obtain loan deficiency payments (LDP) and marketing assistance loans (MAL), producers must maintain beneficial interest in the commodity at the time of request. Beneficial interest is defined as, but not limited to the following: 1) control of the commodity – a producer has control of the commodity if the producer retains the ability to make all decision affecting the commodity and all risk of loss associated with producing and maintaining the quality and quantity of the commodity; 2) title of the commodity – a producer may be considered to have title of the commodity if the producer has not sold or delivered the commodity for market, including the delivery of warehouse receipts. If either of the above 2 conditions are not met, the producer has lost control of the commodity; therefore, the producer does not have beneficial interest in the commodity. In order for a producer to have beneficial interest in the commodity tendered as collateral for a MAL, the producer must: 1) be the producer of the commodity, 2) have had ownership of the commodity from the time it was planted (with respect to wool and mohair from the time of shearing) through the earlier of the date the loan was repaid or the maturity date of the loan; 3) not have received any payment from any party with respect to the commodity; 4) have control of the commodity from the time of planting (for wool and mohair from the time of shearing) through the maturity date of the loan. To have control of the commodity, the producer must have the complete decision making authority about whether the commodity will be tendered as collateral for an MAL, when the loan will be repaid, if the collateral will be forfeited to CCC in satisfaction of the MAL or where the commodity will be maintained during the term of the MAL. Producers who deliver to a CCC approved warehouse and the commodity is placed in open storage for a term of 15 calendar days or more, will lose beneficial interest in the commodity on the 16th day of the physical delivery unless an approved warehouse receipt can be provided to the producer. Producers who deliver commodities to a non approved CCC warehouse or authorized by State or Federal law to store such commodities, and the commodity is commingled with commodities from other producers are ineligible for an MAL or LDP and beneficial interest in the commodity id lost on the date of physical delivery. Deliveries of a commodity to entities such as a dairy, feedlot, or any other unapproved storage facility will result in loss of beneficial interest on the date of delivery regardless of any other action or agreement between such an entity and the producer. A producer who purchases or otherwise acquires a commodity from a producer under any circumstances doe not have beneficial interest in the commodity regardless if the purchase or acquisition is made before or after the harvest of the commodity.

RECORDS CHANGES

If you have bought, sold or are renting different land or the owner of the rented land has changed, make sure you report the changes to the FSA office as soon as possible after they occur. For farm ownership changes you will need to provide a recorded deed, the names, addresses, and social security numbers, if they are not already on file, of all those listed on the deed. Failure to maintain accurate records with FSA on all land you have an interest in can lead to possible program ineligibility and fines if you are participating in our programs.

COMMODITY LOANS AVAILABLE

Producers are reminded that commodity loans are available for farm stored and warehouse stored commodities. Low interest, 9 months loans are available on wheat, barley, oats, corn, grain sorghum, soybeans, and cotton. This marketing tool is a great way to utilize working capital while you wait for local prices to rise, pay off higher interest notes with low interest money or purchase next year's inputs. If loans are repaid before the 9 months are up, and an LDP rate on that commodity is available that day, you only have to pay back the principle, with no interest, less the LDP rate.

Example – 5000 bushel soybean loan at a loan rate of \$5.15 per bushel with an LDP rate of \$0.15

5000 bushels X 5.15 loan rate = \$25,750

5000 bushels X 0.15 LDP rate = \$ 750 (market gain)

Payoff would be \$25,000 with no interest (\$25,750 principle minus \$750 market gain = \$25,000)

Starting with the 2006 crop year, lien searches will not be conducted on loans less than \$25,000 unless the producer has committed a marketing assistance loan or LDP violation in the current or preceding crop year.

Crop loans that are less than \$25,000 starting with the 2006 crop year are not required to have a lien search conducted. However, if a producer has committed a marketing assistance loan or loan deficiency payment violation in the current or preceding crop year, then a lien search shall be conducted with respect to all commodities pledged for marketing assistance loans for the applicable crop year.

CONSERVATION COMPLIANCE

Highly erodible land conservation (HELC) compliance is still required to earn program benefits. This includes payments under the Direct and Counter-Cyclical Program, Conservation Reserve Program, loan deficiency payments, farm loan program, crop insurance and many other USDA programs. Farms with highly erodible soils need to be aware of tillage, crop residue and rotation requirements spelled out in conservation plans. Take the time now to make sure your farm is in compliance. Don't wait until the plow hits the ground!

CONSERVATION RESERVE PROGRAM

Producers with Conservation Reserve Program (CRP) contracts are reminded that if the fields are planted to grass then the fields must be maintained. The fields should be bush hogged according to the conservation plan that was signed when the farm was enrolled in CRP. Fields can not be bush hogged during the primary nesting season of April through September. If trees become a problem, then please contact the office to see if you can bush hog more often than the conservation plan calls for. In any event, trees should not be allowed to take over the grass. This can cause the CRP contract to be out of compliance which can result in the contract being terminated with the producer owing back all CRP payments, plus interest and liquidated damages. Should producers have questions, please feel free to call the office.

PROGRAM OUTREACH

The Iredell/Alexander County FSA Office is constantly seeking to reach minority, socially disadvantaged, and nontraditional farmers to make them aware of the FSA programs. All persons who receive this newsletter are asked to share it with others and to contact this office if they know of some individual or group who would like to be added to our mailing list.

NC AGRICULTURAL COST SHARE PROGRAM

Alexander County is participating in the North Carolina Agricultural Cost Share Program through the Alexander Soil and Water Conservation District. A sign-up period for land users wishing to install conservation practices is going on now. Persons interested in the program should come by the Alexander Soil & Water Conservation District office and sign up. The program covers all of Alexander County. If you are a landowner of an agriculture operation (crop or animal), we have some conservation practices that may be of benefit to you. They include but are not limited to: buffers, filter strips, livestock watering facilities, wells for livestock, fencing, heavy use area protection, stream bank protection, stream crossings and animal waste management systems. All of the components are intended to assist producers to improve water quality by reducing erosion, sediment and nutrients entering the streams of the state. Please call the Alexander Soil & Water Conservation District office at 828-632-0638 if you have questions concerning these programs; or come by the office located at 621 Liledoun Road, Taylorsville, NC.

UPCOMING EVENTS

August 10th and September 21st - Statesville Regional Feeder Calf Sales processing will be from 7 am – 4 pm with sale at 7 pm
July 22nd – NC Meat Goat Association "Field Day" at the Burke County Fairgrounds - goat show starts at 8:30 am with field day immediately following show

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, DC 20250-9410 or call (202) 720-5964 (voice or TDD). USDA is an equal opportunity provider and employer.